



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

Addendum #2 to Reclamation Contract

December 21, 2006

Staker & Parson Companies, Kiegley Quarry, M/049/001

Mr. Mike Dalley, contact for
Staker & Parson Companies
151 West Vine Street
Murray, Utah 84107

The Division has received a replacement corporate surety bond in the amount of \$615,500.00. This bond replaces the Liberty Mutual Insurance Company bond number 14-036-976.

This letter serves as an acknowledgment and approval of the following revisions to the Reclamation Contract and associated addendum(s):

- **SURETY COMPANY:** Fidelity and Deposit Company of Maryland (attachment A), bond number 8866056;
- **SURETY AMOUNT:** Six Hundred and Fifteen Thousand and Five Hundred Dollars, \$615,500.00;
- **OPERATOR OFFICERS:** John W. Parson, Director and President; Gary P. Hickman, Officer; J. Rocky Woodruff, Secretary; Douglas B. Peterson, Treasurer;
- **LEGAL DESCRIPTION:** Any revisions incurred after October 9, 2003 are identified in the Notice of Intention, Mining and Reclamation Plan (as amended), otherwise, Attachment A to the reclamation contract, identifies the legal description;
- **MAP:** Any revisions incurred after October 9, 2003 are identified in the Notice of Intention, Mining and Reclamation Plan (as amended), otherwise, Attachment A to the reclamation contract, identifies the map;
- **CONTRACT LANGUAGE REPLACEMENT:** Page 3 of 7: 2. - "The surety contract is in the form of surety attached hereto as Attachment B" shall be replaced with: The surety contract is in the form of surety attached hereto as **Attachment A to the Reclamation Contract Between Principal and Division.**

☒ **APPROVED**

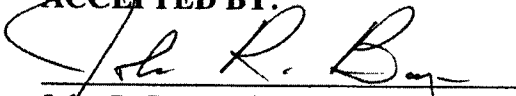
Nothing herein contained shall vary, alter, or extend any other provision or condition of the Reclamation Contract.

To the extent any conflict exists between this letter addendum and the Reclamation Contract, these terms shall control.

Please acknowledge with your signature, make a copy for your records, and return this letter with original signatures to the Division.

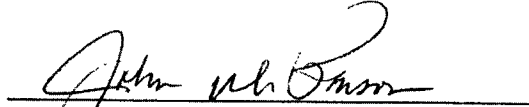
The below signed, acknowledge and accept these revisions and incorporate them into the October 9, 2003 Reclamation Contract.

ACCEPTED BY:



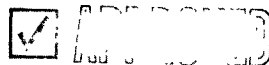
John R. Baza, Director
Division of Oil, Gas and Mining

12/22/2006
Date



John W. Parson, President
Staker & Parson Companies

12-29-2006
Date





JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

Addendum #1 to the Reclamation Contract

Staker & Parson Companies, Kiegley Quarry, M/049/001

November 16, 2005

Mike Dalley
Staker & Parson Companies
151 West Vine Street
Murray, Utah 84107

On October 15, 2005 a surety bond was executed by Liberty Mutual Insurance Company, bond number 14-036-976, for US\$615,500.00. Liberty Mutual Insurance Company issued a bond change rider on October 31, 2005 incorporating changes to the bond. These changes include company name change to Staker & Parson Companies and the Mining Plan date of April 7, 1989. In addition to the aforementioned changes, there is recent information available with the Division of Corporations, requiring further revisions as identified below.

This letter serves as an acknowledgment and acceptance of the following:

- **Surety bond executed by Liberty Mutual Insurance Company, bond number 14-036-976, for Six Hundred Fifteen Thousand and Five Hundred Dollars US\$615,500.00**
- **Surety Bond change rider issued by Liberty Mutual Insurance Company on October 31, 2005**
- **The Operator's Officers are as follows: John W. Parson, President and Vice President; S Val Staker, President and Director; Glenn A Culpepper, Director; Thomas W. Hill, III, Director**

Nothing herein contained shall vary, alter, or extend any provision or condition of the Reclamation Contract.

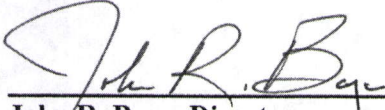
To the extent any conflict exists between this letter addendum and the Reclamation Contract, these terms shall control.

Please acknowledge and return this letter with original signature to the Division.

☒ APPROVED

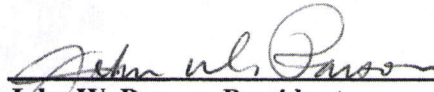
The below signed, acknowledge and accept these revisions and incorporate them into the October 9, 2003 Reclamation Contract.

ACCEPTED BY:



John R. Baza, Director
Division of Oil, Gas and Mining

11/25/05
Date



John W. Parson, President
Staker & Parson Companies

12-07-05
Date

☒ APPROVED

File Number M/049/001
Effective Date Oct 9, 2003
Other Agency File Number _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

RECEIVED
SEP 16 2003
DIV OF OIL GAS & MINING

RECLAMATION CONTRACT
---ooOoo---

RECEIVED
SEP 26 2003
DIV. OF OIL, GAS & MINING

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

| | |
|---|--|
| "NOTICE OF INTENTION" (NOI): (File No.) | <u>M/049/001</u> |
| (Mineral Mined) | <u>Limestone, Dolomite, Quartzsite</u> |
| "MINE LOCATION": | |
| (Name of Mine) | <u>Keigley Quarry, Utah County</u> |
| (Description) | <u>12370 South West Mountain Hwy</u> |
| | <u>Genola, UT</u> |
| | |
| "DISTURBED AREA": | |
| (Disturbed Acres) | <u>400 acres</u> |
| (Legal Description) | <u>(refer to Attachment "A")</u> |
| "OPERATOR": | |
| (Company or Name) | <u>Staker & Parson Companies</u> |
| (Address) | <u>151 West Vine Street</u> |
| | <u>Murray, UT 84107</u> |
| | |
| (Phone) | <u>(801) 258-3800</u> |

☒ APPROVED

"OPERATOR'S REGISTERED AGENT":

Name)

(Address)

(Phone)

CT Corporation Systems

50 West Broadway 8th Floor

Salt Lake City, UT 84101

(801) 364-5101

"OPERATOR'S OFFICER(S)":

John Parson CEO

Doug Peterson CFO

Randy Anderson Vice-Pres. (Pits)

Paul Glauser Vice-Pres. HR/Env./Saf.

SURETY":

(Form of Surety - Attachment B)

Surety Bond

"SURETY COMPANY":

(Name, Policy or Acct. No.)

XL Specialty Insurance Co.

"SURETY AMOUNT":

(Escalated Dollars)

\$ 615,500.00

"ESCALATION YEAR":

2003

"STATE":

"DIVISION":

"BOARD":

State of Utah

Division of Oil, Gas and Mining

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Staker & Parson Companies the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/049/001 which has been approved by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved Reclamation Plan, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

☒ **APPROVED**

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the approved Notice of Intention and Reclamation Plan received 6/22/77. The Notice of Intention and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The Division shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

☒ APPROVED

OPERATOR:

Staker & Parson Companies
Operator Name

By John W. Parson
Authorized Officer (Typed or Printed)

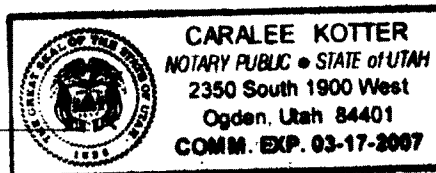
C. E. O.
Authorized Officer - Position

John W. Parson 9/18/03
Officer's Signature Date

STATE OF Utah)
COUNTY OF Weber) ss:

On the 18 day of September, 2003, John W. Parson
personally appeared before me, who being by me duly sworn did say that he/she is the
CEO of Staker & Parson Co. and
duly acknowledged that said instrument was signed on behalf of said company by
authority of its bylaws or a resolution of its board of directors and said
John W. Parson duly acknowledged to me that said
company executed the same.

Caralee Kotter
Notary Public
Residing at Ogden Utah
3/17/07
My Commission Expires:



☒ APPROVED

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

☒ APPROVED

ATTACHMENT "A"

Staker & Parson Companies
Operator

Keigley Quarry
Mine Name

M/049/001
Permit Number

Utah County, Utah

LEGAL DESCRIPTION

Include 1/4, 1/4, 1/4 sections, townships, ranges and any other descriptions that will legally determine where disturbed lands are located. Attach a topographic map of suitable scale (max. 1 inch = 500 feet; 1 inch = 200 feet or larger scale is preferred) showing township, range and sections and a clear outline of the disturbed area boundaries tied to this Reclamation Contract and surety

The detailed legal description of lands to be disturbed includes portions of the following lands not to exceed 400 acres under the approved permit and surety, as reflected on the attached map labeled Keigley Quarry and dated September 11, 2003:

SW 1/4 Section 15
SE 1/4 of SE 1/4 Section 16
SE 1/4 and E 1/2 of SW 1/4 Section 22
SW 1/4 of SW 1/4 Section 23
W 1/2 of NW 1/4 Section 26
NE 1/4 Section 27

Township 9 South, Range 1 East, SLBM

☒ APPROVED